

THE COMMONWEALTH OF MASSACHUSETTS OFFICE OF CAMPAIGN & POLITICAL FINANCE

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MARY F. McTIGUE DIRECTOR

> January 29, 1993 AO-93-01

Ms. Denise Dean
Office of Legislative Counsel
National Rifle Association of America
Institute For Legislative Action
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

Dear Ms. Dean:

This letter is in response to your October 19, 1992 letter requesting an advisory opinion as to whether the National Rifle Association Political Victory Fund ("NRAPVF") can contribute to Massachusetts political committees. I apologize for the delay in my response.

In your letter you state that the NRA is a not-for-profit corporation organized under the laws of New York as a 501 (c) (4) organization. The Institute for Legislative Action ("ILA") is the legislative and political arm of the NRA and is supported primarily by contributions from individuals. The NRAPVF is a federally registered political committee and receives its monies from fundraising activities conducted by the ILA. The expenses for the fundraising activities are paid by the ILA wholly from contributions received from individuals. In subsequent conversations you stated that the NRAPVF is a separate fund of the ILA and that the ILA lets the NRAPVF use ILA office space, facilities and supplies at no charge to the NRAPVF.

You have asked whether the NRAPVF can contribute to Massachusetts political committees and whether the NRAPVF can legally conduct campaign activity in Massachusetts.

For the reasons outlined below, NRAPVF cannot contribute to Massachusetts political committees. However, NRAPVF can set up a separate segregated Massachusetts account, in compliance with M.G.L. c.55, the Massachusetts campaign finance law, by registering as a political committee in Massachusetts. After registering, the political committee may begin accepting

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contributions and making expenditures subject to all relevant provision of chapter 55.

In your letter, you discuss corporate contributions in the context of the relationship between the ILA and NRAPVF. Thus, I have included below a discussion of the Office of Campaign and Political Finance's ("Office") position on the subject.

It has been the longstanding position of the Office that a political committee registered with this office may not accept contributions from another political committee which is not registered with the Office. See AO-87-11, AO-88-28 and AO-89-14.

Further, if an out-of-state political committee wishes to contribute to the campaign of a Massachusetts candidate, or to a multi-candidate political committee, it must comply with the disclosure, reporting, contribution and expenditure limitation requirements of c.55. <u>See</u> OCPF IB-82-01.

If out-of-state political committees were allowed to contribute to Massachusetts political committees then the result would be the possibility of allowing prohibited funds to be contributed to Massachusetts political committees. For example, M.G.L. c.55 section 8 prohibits business corporations from "giving, paying, expending or contributing any money or other valuable thing directly or indirectly for the purpose of aiding, promoting or preventing the nomination or election of any person to public office". Any political committee which accepts corporate contributions or which benefits by corporate sponsorship or the indirect expenditure of corporate resources may not contribute directly or indirectly to state or local candidates.

While it is not clear whether the ILA receives corporate funds, directly or indirectly, from the NRA or otherwise, if the ILA did receive corporate funds, the administrative support that the ILA currently provides to the NRAPVF would be considered an in-kind corporate contribution. Thus, the NRAPVF would be prohibited from contributing to a Massachusetts political committee including its separately segregated fund since the NRAPVF would be making a prohibited in-kind corporate contribution. Even assuming that the ILA receives no corporate contributions, it would be an impossible task for this office to monitor all contributions by political committees unregistered with the Office to ensure that they were in compliance with Massachusetts campaign finance law. Thus, in either instance, in order for the NRAPVF to conduct legally campaign activity in Massachusetts, the NRAPVF must set up a separate segregated account for its Massachusetts political committee.

I would recommend that you and your organization acquaint yourselves with the provisions of Chapter 55 of the